



Integrated Governance

As a form of Governance transparency and accountability BNI Integrated Financial Conglomerate, follows provisions contained in the Otoritas Jasa Keuangan Regulation No.18/POJK.03/2014 dated November 18, 2014 on Integrated Governance for Financial Conglomerate juncto Otoritas Jasa Keuangan Circular No.15/SEOJK.03/2015 dated May 25, 2015 on Integrated Governance for Financial conglomerate, as implemented by BNI Integrated Financial Conglomerate Governance 2016 consisting of:

1. Report of Integrated Governance Self Assessment for 2016
2. BNI Integrated Financial Conglomerate structure
3. BNI Integrated Financial Conglomerate structure of share ownership position until December 2016.
4. BNI Integrated Financial Conglomerate Structure of Management
5. BNI Integrated Financial Conglomerate Basic Principles of Governance
6. BNI Integrated Financial Conglomerate Intra-Group Transactions Policy
7. Report on the Implementation of Good Corporate Governance for BNI Main Entities in BNI Integrated Financial Conglomerate.

The following is the implementation of Good Corporate Governance for BNI Main Entities in BNI Integrated Financial Conglomerate.

SELF ASSESSMENT REPORT ON INTEGRATED GOVERNANCE IMPLEMENTATION FOR 2016

In accordance with Otoritas Jasa Keuangan Regulation No.18/POJK.03/2014 dated November 18, 2014 on Integrated Governance Share Financial conglomerate jo. Otoritas Jasa Keuangan Circular Letter No.15/SEOJK.03/2015 dated May 25, 2015 on Integrated Governance Share Financial conglomeration among others requires Finance conglomerates to prepare an Integrated Governance Self Assessment periodically (June and December) to the Otoritas Jasa Keuangan and delivered no later than the 15th of the second month after the end of the reporting month (August 15 and February 15). The Self Assessment implementation of the principles of Integrated Governance in BNI Integrated Financial Conglomerate, was realized and is focused in the seven (7) assessment factors for Integrated Governance implementation consisting of:

Factor Rating

No	Factor Rating
1	Main Entity Board of Directors
2	Main Entity Board of Commissioners
3	Integrated Governance Committee
4	Integrated Compliance Unit
5	Integrated Internal Audit Unit
6	Implementation of Integrated Risk Management
7	Integrated Governance Guidelines

Rating categorized into 5 (five) with an explanation of each as follows.

Rating

Rating	Rating Definition
1	Financial conglomerates committed to the application of very good Integrated Governance. This is reflected in the adequate fulfillment of the application of the principles of Integrated Governance. If there are weaknesses in the implementation of Integrated Governance, in general, these weaknesses are not significant and can immediately be repaired by the Main Entity and / or LJK.
2	Financial conglomerates committed to the application of good Integrated Governance. This is reflected in the adequate fulfillment of the application of the principles of Integrated Governance. If there are weaknesses in the implementation of Integrated Governance, in general, these weaknesses are less significant and can be solved by normal action by the Main Entity and / or LJK
3	Financial conglomerates committed to the application of generally quite good Integrated Governance. This is reflected in the adequate fulfillment of the application of the principles of Integrated Governance. If there are weaknesses in the implementation of Integrated Governance, in general, these weaknesses are quite significant and require considerable attention by the Main Entity and / or LJK
4	Financial conglomerates committed to the application of generally less well Integrated Governance. This is reflected in the inadequate fulfillment of the application of the principles of Integrated Governance. If there are weaknesses in the implementation of Integrated Governance, in general, the vulnerability is significant and require thorough repairs by the Main Entity and / or LJK.
5	Financial conglomerates committed to the application of not good Integrated Governance generally. This is reflected in inadequate fulfillment of the application of the principles of Integrated Governance. There are weaknesses in the implementation of Integrated Governance, in general the weakness are very significant and difficult to fix by the Main Entity and / or LJK.

For the 2016 BNI Integrated Financial Conglomerate developed its own assessment related to the implementation of Corporate Governance as follows.

Integrated Governance Implementation Self Assessment Results		
Rating		Rating Definition
June 2016	Dec 2016	
2	2	The Financial Conglomerate commitment to the implementation of Integrated Governance was generally good. This was reflected in an adequate fulfillment of Integrated Governance principles. If there are weaknesses in the implementation of Integrated Governance, the general weaknesses are less significant and can be solved by normal action by the Main Entity and / or LJK.



Integrated Governance

BASED ON AN ANALYSIS OF INDICATORS IN ALL THE ASSESSMENT FACTORS THE IMPLEMENTATION OF INTEGRATED GOVERNANCE CONCLUDED THAT:

1. Integrated Governance Structure
The values reflect the strength of structural aspects BNI Integrated Financial Conglomerate follows:
 - a. BNI Integrated Financial Conglomerate has adequate structure, demonstrated through:
 - the Board of Directors and Board of Commissioners have met the requirements and competencies established by the applicable regulations.
 - Have Integrated Governance Committee and Integrated Risk Management Committee
 - Have Integrated Compliance Unit, Integrated Internal Audit Unit, Integrated Risk Management Unit independent from the Operational Units.
 - Have Integrated Governance Guidelines and Integrated Risk Management Public Policy.
 - b. To improve coordination and monitoring of the BNI subsidiaries (LJK) performance as the Main Entity a special unit manages its subsidiaries (UPPA).
 - c. The BNI Board of Directors and Board of Commissioners have a strong commitment to the implementation of the Integrated Good Governance.

There are values that reflect weaknesses in the Integrated Financial Conglomerate Governance structural aspects.

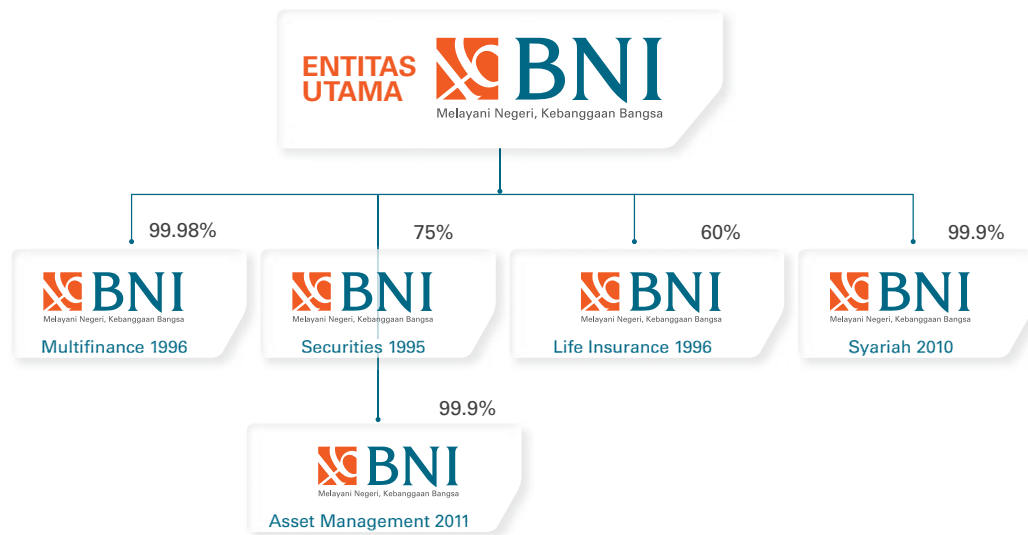
2. Integrated Governance Process
The values that reflect the strength aspect of the BNI Integrated Financial Conglomerate process are as follows.
 - a. Integrated Governance Committee regularly provides input to the Board of Directors to increase Implementation of Good Governance in BNI Integrated Financial Conglomerate.
 - b. Each working unit in the main entity actively coordinates with LJK work units to ensure the implementation of the Compliance, Internal Audit and Risk Management functions in accordance with prevailing regulations.

There are no values that reflect weakness aspects in the Integrated Financial Conglomerate Governance.
3. Integrated Governance Results
The values that reflect the Integrated Financial Governance strength aspect results are as follows.
 - a. The Financial Conglomerate has applied the standard implementation of the Compliance, Internal Audit and Integrated Risk Management throughout all work units in the Financial Conglomerate.
 - b. To improve Governance in the Integrated Financial Conglomerate, each work unit has made improvements to Governance authorities.

There are no values that reflect weakness aspects Integrated Financial Conglomerate Governance results.

BNI INTEGRATED FINANCIAL CONGLOMERATE STRUCTURE

Through Board of Directors Letter Number: DIR / 102 dated March 13, 2015 the BNI Integrated Financial Conglomerate has reported its structure as follows.



BNI Integrated Financial Conglomerate has met the administrative requirements and has been recorded in the administrative supervision of Otoritas Jasa Keuangan cfm. OJK Letter No. S-48 / PB.313 / 2015 April 15, 2015, BNI Integrated Financial Conglomerate also has an Integrated Governance Committee (TKT) as follows.

Chairman : Mr. Pradjoto (BNI)

Members :

- Mr. Joni Swastanto (BNI)
- Mr. Bistok Simbolon (BNI)
- Mr. KH. Ma'ruf Amin (Supervisory Board of BNI Syariah)
- Mr. Krisna Wijaya (BNI Life)
- Mr. Fabianus Sudjarmoko (BNI Securities)
- Mr. Rizqullah (BNI Syariah)
- Mrs. Rosa Lima Dwi Mutiara (BNI Multi Finance)
- Mrs. Setyowati (Independent Member of Integrated Corporate Governance Committee)

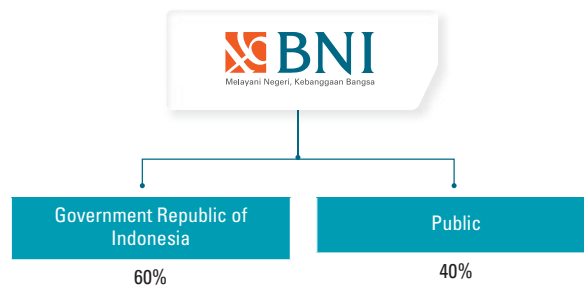
As a guideline BNI also has Integrated Governance Guidelines, prepared and reviewed in accordance with the provisions of the laws in force, these guidelines may be accessed via www.bni.co.id



Integrated Governance

BNI INTEGRATED FINANCIAL CONGLOMERATE SHAREHOLDING STRUCTURE AS AT DECEMBER 2016

PT Bank Negara Indonesia (Persero) Tbk, is the Main Entry of BNI Integrated Financial Conglomerate..

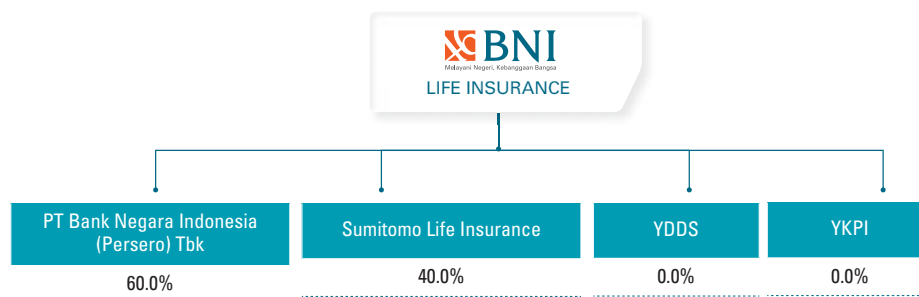


Shareholding Structure of Financial Services Institutions in BNI Integrated Financial Conglomerate, namely:

1. PT BNI Syariah



2. PT BNI Life Insurance



Information:

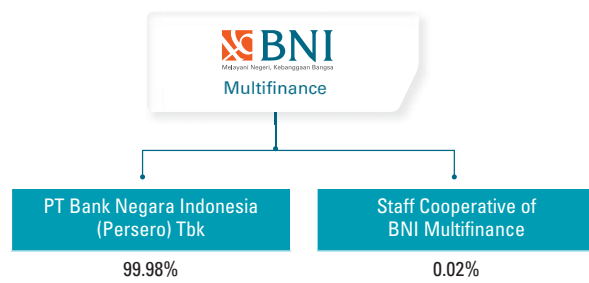
* Danar Dhana Swadharma Foundation

** BNI Employee Welfare Foundation

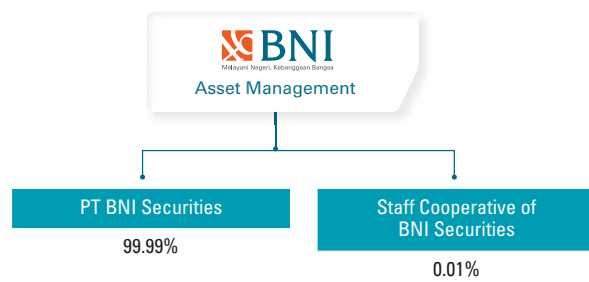
3. PT BNI Securities



4. PT BNI Multifinance



5. PT BNI Aset Management





Integrated Governance

BNI INTEGRATED FINANCIAL CONGLOMERATE MANAGEMENT STRUCTURE

PT Bank Negara Indonesia (Persero) Tbk

Structure of the Board of Commissioners

Name	Position
Hartadi Agus Sarwono	President Commissioner / Independent Commissioner
Pradjoto	Vice President Commissioner
Anny Ratnawati	Independent Commissioner
Patanuari Siahaan*)	Independent Commissioner
Revisond Baswir*)	Independent Commissioner
Bistok Simbolon	Commissioner
Joni Swastanto	Independent Commissioner
Wahyu Kuncoro*)	Commissioner

*) Effective after Fit and Proper Test Decision of OJK

Board of Directors structure

Name	Position
Achmad Baiquni	President Director
Suprajarto	Vice President Director
Herry Sidharta	Director
Putrama Wahyu Setyawan	Director
Rico Rizal Budidarmo	Director
Anggoro Eko Cahyo	Director
Panji Irawan	Director
Adi Sulistyowati	Director
Bob Tyasika Ananta	Director
Imam Budi Sarjito	Director

a. PT BNI Syariah

Board of Commissioners Structure

Name	Position
Fero Poerbonegoro	President Commissioner
Rizqullah	Independent Commissioner

Board of Directors structure

Name	Position
Imam Teguh Saptono	President Director
Junaidi Hisom	Director
Kukuh Rahardjo	Director

b. PT BNI Life Insurance**Board of Commissioners Structure**

Name	Position
Krisna Wijaya	President Commissioner / Independent Commissioner
Darwin Suzandi	Commissioner
Shinzo Kono	Commissioner
Mauli Adiwarman Idris	Independent Commissioner
Wiriadi Saputra	Independent Commissioner

Board of Directors structure

Name	Position
Budi T.A. Tampubolon	President Director
Geger N. Maulana	Director
Kazuhiko Arai	Director
Hirokazu Todaka	Director
Intan Sari Abdams Katoppo	Director

c. PT BNI Securities**Board of Commissioners Structure**

Name	Position
Fabianus Sudjatmoko	President Commissioner / Independent Commissioner
Ryosuke Hayashi	Commissioner
Suhendry Hafni	Commissioner

Board of Directors structure

Name	Position
Adiyasa Suhadibroto	President Director
Reza Benito Zahar	Director
Aswardin	Director
Kenichiro Matsuhisa	Director



Integrated Governance

d. PT BNI Multifinance

Board of Commissioners Structure

Name	Position
Rosa Lima Dwi Mutiari	President Commissioner / Independent
Muhammad Gunawan Putra	Commissioner

Board of Directors structure

Name	Position
Suwaluyo	President Director
Rana Ranadi	Director

e. PT BNI Aset Manajemen

Board of Commissioners Structure

Name	Position
Evi Firmansyah	President Commissioner
Anung F Nugroho	Commissioner

Board of Directors structure

Name	Position
Reita Farianti	President Director
Isbono Mi Putro	Director

BNI INTEGRATED FINANCIAL CONGLOMERATE BASIC GOVERNANCE PRINCIPLES

To support BNI Integrated Financial Conglomerate operational business, the basic principles of Integrated Governance refer to the GCG Roadmap published by OJK as well as the ASEAN Corporate Governance Scorecard as the reference implementation of GCG implementation.

The BNI Integrated Financial Conglomerate basic principles are as follows.

1. BNI Integrated Financial Conglomerate aim to create superior performance and add economic value for shareholders and other stakeholders, and ensure BNI Integrated Financial Conglomerate operates in accordance with the laws and regulations in force, business ethics, as well as the principles of good Corporate governance.
2. Refer to the Regulation provisions that apply to a Subsidiary as a legal entity separate from BNI that has its own duties and responsibilities in the management of the company
3. A subsidiary is an independent legal entity in accordance with the provisions of existing law, which in its management, BNI is the controlling shareholder in the BNI Integrated Financial Conglomerate
4. Subsidiary Corporate Governance Principles in these guidelines apply to subsidiaries to the extent they are not regulated differently by laws that apply. If Subsidiary Articles of Association are not in accordance with this Code it shall be adjusted.

BNI INTEGRATED FINANCIAL CONGLOMERATE INTRA-GROUP TRANSACTIONS POLICIES

Intra-group financial transactions in the BNI Integrated Financial Conglomerate should be based on sufficient cost and benefit analysis, have a clear underlying, meet the applicable accounting standards and not contrary to legislation in force.

GOOD CORPORATE GOVERNANCE REPORT OF BNI AS THE MAIN ENTITY IN BNI INTEGRATED FINANCIAL CONGLOMERATE.

In accordance with Bank Indonesia Regulation No.8/4/PBI/2006 on Implementation of Good Corporate Governance for Banks as amended by Bank Indonesia Regulation No. 8/14 / PBI / 2006 and Bank Indonesia Circular Letter No.15/15/DPNP dated April 29, 2013 jo. Bank Indonesia Regulation No.13/1/PBI/2011 on the assessment of the Bank, that require each bank to conduct self assessment on the implementation of the principles of Good Corporate Governance at least every semester in June and December.

The assessment of corporate governance principles, at least should realize and be focused on 11 (eleven) GCG implementation assessment factors consisting of:

No	Factor Rating
1.	The implementation of Board of Commissioners tasks and responsibilities
2.	Implementation of Board of Directors duties and responsibilities
3.	Completion and implementation of Committee's tasks
4.	Handling conflicts of interest
5.	Implementation of Bank compliance
6.	Application of the internal audit function
7.	Implementation of external audit function
8.	Implementation of risk management, including internal control system
9.	Provision of funds to related parties and large exposures to debtors
10.	Transparency of financial and non financial condition, GCG implementation report and internal reporting
11.	Bank's strategic plan



Integrated Governance

Ratings are categorized into 5 (five) with an explanation of each rating as follows.

Rating	Definition
1	Reflects the Bank Management has implemented generally very good corporate governance. This is reflected in a very adequate fulfillment of good corporate governance principles. If there are weaknesses in the good corporate governance principles implementation, generally these weaknesses are not significant and can immediately be repaired by the Bank's management.
2	Reflects the Bank Management has implemented generally good corporate governance. This is reflected in a very adequate fulfillment of good corporate governance principles. If there are weaknesses in the good corporate governance principles implementation, generally these weaknesses are less significant and can be solved by normal action by the Bank's management.
3	Reflects the Bank Management has implemented generally quite good corporate governance. This is reflected in a very adequate fulfillment of good corporate governance principles. If there are weaknesses in the good corporate governance principles implementation, generally these weaknesses are quite significant and require considerable attention from Bank's management.
4	Reflects the Bank Management has implemented corporate governance that are generally less well. This is reflected in a inadequate fulfillment of good corporate governance principles. If there are weaknesses in the good corporate governance principles implementation, generally these weaknesses are significant and require thorough repairs by Bank's management.
5	Reflects the Bank Management has generally not implemented good corporate governance. This is reflected in a inadequate fulfillment of good corporate governance principles. If there are weaknesses in the good corporate governance principles implementation, generally these weaknesses very significant and difficult to be fixed by Bank's management.

Self Assessment Report (Self Assessment) GCG PT Bank
Main entity: PT Bank Negara Indonesia (Persero) Tbk

Position Reports: 2016

Results of Self Assessment Integrated Governance		
Rating		Definitions Rating
June 2016	Dec 2016	
2	2	Reflects that the Bank Management has implemented Good Corporate Governance rating - good. This is reflected in an adequate fulfillment of the principles of good corporate governance. If there are weaknesses in the application of the principles of Good Corporate Governance, the general weakness is less significant and can be solved by normal action by the Bank's management.

Based on an analysis of indicators on all factors of GCG implementation the assessment concluded that:

A. Governance Structure

1. The positive factors aspects of the governance structure Bank are:
 - a. The Board of Commissioners and the Board of Directors have a strong commitment to the implementation of corporate governance principles in all business activities of the Bank at all levels of the organization.
 - b. The Bank has a corporate governance structure and adequate infrastructure. The GCG Structure and Infrastructure can always be reviewed by all stakeholders by access through the website www.bni.co.id
 - c. The Board of Commissioners Structure is in accordance with applicable regulations where 50% came from independent parties. Members of the Board of Commissioners have the competence and knowledge that facilitates the bank supervision task.
 - d. The amount and composition of the members of the Board of Directors is in accordance with the size and complexity of the Bank, where the number the Board of Directors includes 10 (ten) Directors to carry out the duties and responsibilities, the Board of Directors has very adequate integrity, competence and knowledge.
 - e. All members of the Board of Commissioners and the Board of Directors hold no concurrent positions as stipulated in Bank Indonesia Regulations and the provisions of other legislation.
 - f. All members of the Board of Commissioners and the Board of Directors have no one financial, management, ownership and family relationship with fellow members of the Board of Commissioners, the Board of Directors and / or Controlling Shareholders.
 - g. The Board of Commissioners and Directors have a Working Rules of Conduct Manual, and has been reviewed in accordance with applicable laws.
 - h. In order to improve the BNI learning culture has established a BNI Corporate University, whose tasks, include improving the culture of learning and improvement of knowledge to all BNI employees.
 - i. The Bank has an Audit Committee, Risk Monitoring Committee, Nomination and Remuneration Committee and Integrated Corporate Governance Committee with the structure and independence of membership in accordance with the applicable provisions to assist the implementation of the duties of the Board of Commissioners. The Committee has Charters as guidelines in carrying out duties and responsibilities.
 - j. The Bank has complete policies, systems and procedures regarding conflict of interest, as contained in the Conflict of Interest Guidelines, BNI Code of Ethics Books, `46` Principles Work Culture Books, BNI Company Statutes and Guidelines. In addition, the Bank has provisions on the granting of credit to prospective borrowers who have a family relationship or conflict of interest by a processor and / or terminating the credit, and the BNI Company Guidelines also contain provisions to prevent conflicts of interest in the process of goods and services procurement. The Bank has prepared the Conflict of Interest Guidelines as umbrella policies that set definitions, forms, causes, preventive measures following the violation of sanctions.
 - k. The Compliance Risk Director has met the requirements for independence, not holding concurrent positions as President Director or Vice President Director, does not supervise business functions and operations, treasury, finance and accounting, logistics and procurement of goods / services, information technology and internal audit. The Compliance Unit in this case the Compliance Division is independent of the operational units and is directly responsible to the Compliance Risk Director.



Integrated Governance

- l. Adequacy of Governance Structure aspects related to the implementation of the internal audit function is adequate, reflected by:
 - BNI has an Internal Audit Unit (IAU or SPI) responsible directly to the President Director (solid line) and is able to communicate directly to the Board of Commissioners and or the Audit Committee (dotted line).
 - BNI has also established the Internal Audit Charter, Code of Corporate Internal Audit, SPI Organizational Structure and its duties and functions.
- m. Compliance and improving the quality of SPI staff continues to be done in coordination with the Human Capital Management Division (HCT), while improving the quality through the implementation of training and certification in coordination with the BNI Corporate University (BNV).
- n. The KAP Audit is very effective and has met the established criteria in accordance with applicable regulations.
- o. The Bank has the organizational structure and infrastructure (policies, procedures, and limits) for the implementation of Risk Management.
- p. The Bank has up to date and complete policies, systems and procedures for the provision of funds to related parties and large exposures. The Bank also conducts periodic reviews of the Internal Rating System (corporate, commercial, and small business), Loan Portfolio Management, Loan Exposure Limit (per segment, per economic sector and per region), LLL (for internal BNI through the Internal House Limit), Country Exposure Limit, Market Risk Limit, Liquidity Risk Limit, and Operational Risk Limit.
- q. Bank Management Information Systems in particular related to Internal Reporting System of the Bank is able to provide data and information in a timely, accurate, complete and reliable and effective manner for management decision making, supported by the Bank's IT security system, related asset maintenance and sufficient information (ISO information implemented by the STI Division)
- r. BNI has internal policies regarding the procedures for the implementation of transparency in financial and non-financial conditions, and completes a Disclosure Policy which regulates, among others:
 - What information can be published
 - Objectives and Principles of openness (why such information should be disclosed)
 - When to be announced
 - Which company officials will announce
 - To whom information will be announced
 - How it will be announced

The purpose of disclosure is to provide information to shareholders and other interested parties to assist the parties in making decisions or taking action.
- s. The Bank's strategic plan has been arranged within the Corporate Plan, the Bank Business Plan (RBB) and Business Plan which are adapted to the Bank's vision and mission.
- t. The Bank's strategic plan is fully supported by the owner, which reflects the commitment and effort of the owners to strengthen the Bank's capital. '

2. Negative factors aspects related to the Bank's governance structure:
None

B. Governance Process

1. The positive factors aspects of the Bank governance process are:
 - a. Socialization and internalization of corporate governance principles are continuous and consistent including the signing of a GCG commitment at the beginning of each year by the Board of Commissioners, the Board of Directors and all employees, reading the Principles 46 Work Culture and BNI Code of Ethics on a Quality Day organized regularly every month in all BNI organizational units.
 - b. Bank transparently conveys information to the public through the homepage and media. Financial and non-financial information, as well as new products and activities, are reported to regulators and stakeholders in accordance with applicable regulations.
 - c. The Board of Commissioners have and will continue to ensure the implementation of GCG principles in all business activities of the Bank at all levels of the organization. The Board of Commissioners Supervision is conducted effectively, through Board Meetings or Joint Meetings with the Board of Directors or the Sector Directors routinely, on average every week to ensure that operational activities are going well and according to the GCG principles.
 - d. The Board of Directors establishes policies and strategic decisions through Board of Directors meetings effectively and efficiently and every decision of the Board of Directors Meetings are recorded in the Minutes of the Meeting as set forth in reporting obligations with a follow up by the implementation units. The entire Board of Directors is able to act and make decisions independently.
 - e. All committees carry out their duties independently and effectively through regular meetings held on average every week, with results reported to the Board of Commissioners. The Committee meetings may involve invited divisions or related units to get comprehensive and detailed feedback about their problems and conditions in the operations.
 - f. Conflict of Interest disclosed in any credit decision, has been administered and properly documented. Causing the transfer of credit decision making process due to conflict of interest is in the Credit Application Toolkit (PAK). The PAK framework documents the data and documents for such credits in accordance with prevailing regulations.
 - g. The Compliance Director and Risk Compliance Unit have been carrying out their duties and responsibilities according to applicable regulations and carry out other tasks related to the compliance function.
 - h. The Compliance Unit has been conducting reviews, implementations and monitoring of AML-PPT, and enforcement of ethics and compliance through WBS Anti Fraud Strategy.
 - i. The effectiveness of GCG implementation processes related to the implementation of the internal audit function are adequate, reflected by:
 - The Board of Directors together with SPI seeks to ensure that internal control is implemented at all management levels through inspections and actively encourages the completion of follow-up of the SPI results.
 - The SPI implementation tasks are reviewed every three (3) years by external parties.
 - SPI in the execution of his duty, conduct the following.
 - » Prepare Annual Consultation Audit Plans (RAT) based on risk.



Integrated Governance

- Through Internal Controls in each organizational unit, the SPI reviews all activities that exist in the organizational unit concerned.
- » The audits performed use adequate audit programs based on the scope of the investigation in the form of assessment of adequacy and effectiveness of the Bank Internal Control System as well as the quality of performance.
 - » SPI works independently according to the code of conduct contained in the Internal Audit Charter.
 - » All test results are reported to the President Director and Board of Commissioners with a copy to the Director of Compliance and Risk.
 - » Completion of follow-up examination results are monitored by SPI and the results are reported to the Board of Directors and Board of Commissioners each quarter.
- j. Appointment of the Public Accountant / KAP complies with the requirements stipulated in the provisions. The Public Accountant / KAP audit is conducted independently.
 - k. The Board of Commissioners and Board of Directors duties and responsibilities relating to Risk Management and Internal Control System have been implemented, through the Risk Oversight Committee Meeting, Board of Directors and Board of Commissioners meetings, and through the Risk Management Committee meetings held periodically.
 - l. Lending decisions has been made independently in through committees in the Business Units and Risk Units with approval from the Board of Commissioners for lending to related parties.
 - m. Transparently the Bank has submitted financial information and non-financial services to the public through the homepage and media. Information in the form of financial and non financial statements have also been reported to regulators and stakeholders according to applicable regulations;
 - n. The Bank transparently delivered information products and services, through print media, electronic media, BNI website, brochures / leaflets, advertisements, notices in branch offices.
 - o. The Bank has implemented customer complaints management effectively in accordance with the rules / regulations, through the Online Customer Complaint (OCC) system to expedite the resolution process for the customer quickly and to monitor the process of resolving customer complaints by all units, and acts well as a database for customers complaint. The Bank maintains adequate customer data and personal information.
 - p. The Bank Business Plan (RBB) is realistic, comprehensive and has been approved by the Board of Commissioners.
 - q. The Board of Directors has communicated and effectively implemented the RBB.
 - r. The preparation and submission of RBB is guided by the provisions in force.
 - s. The Board of Commissioners supervises the RBB implementation.
 - t. The owner shows seriousness and supports the RBB implementation.
 - u. The Bank has implemented the principles of good corporate governance to provide insight to customers and third parties that BNI has implemented Anti Fraud policies and does not tolerate any form of fraud, including graft, corruption, collusion and nepotism, among other things through:

- A ban on receiving and giving gifts (gratuities) during credit decision-making.
 - External media publications concerning prohibition gifts (gratuities), including but not limited to the time leading up to religious holidays and the new year.
 - The signing of an Integrity Pact in for goods and services procurement.
 - Direct communication via vendor gatherings.
 - A ban on receiving and giving gifts (gratuities) in the determination / appointment process for Vendors / Suppliers / Merchants / Clients.
2. Negative factors Bank governance process aspects are:
The Bank has established guidelines and infrastructure risk management and internal control system, but still needs to improve the quality of risk management and internal control systems.
- C. Governance Outcome**
1. The positive factors aspects for Bank governance are:
- a. The corporate governance principles implementation in all business activities of the Bank at all levels of the organization goes well, as reflected in the GCG assessments conducted by the independent parties namely:
 - Indonesian Institute of Corporate Director who ranks GCG implementation by ASEAN CG Scorecard, providing an good (score 87.33) assessment for the implementation of GCG in BNI, where the value significantly increased compared to 2015.
 - Through the Corporate Governance Perception Index 2016, The Indonesian Institute for Corporate Governance awarded the status - Indonesia Most Trusted Company to BNI for 6 (six) consecutive years.
 - b. BNI actively follows the GCG rankings conducted by independent parties to gain feedback to improve the practice of GCG implementation, in accordance with applicable regulations and best practice.
 - c. The results of all Board of Commissioners meetings or joint board meetings with the Board of Directors or Sector Director are set forth in the minutes and are well documented.
 - d. The results of all Board of Commissioners meetings or joint board meetings with the Board of Directors or Sector Director are set forth in the minutes, which includes dissenting opinions, which are signed by members of the Board of Commissioners present or not present and are well documented.
 - e. The Board of Commissioners and Board of Directors have been accountable for the implementation of their duties to shareholders and has been accepted by shareholders in the Annual General Meeting 2015 held on March 10, 2016.
 - f. Each Committee has been carrying out its functions in accordance by the applicable provisions and regularly submit reports or recommendations resulting from execution of their duties to the Board of Commissioners.
 - g. The Committee's tasks results reports are useful as inputs to the Board of Commissioners at the time of carrying out their duty to provide feedback to the Board.
 - h. Internal policies regarding conflict of interest that the Bank has applied does not undermine or reduce the profits of the Bank.
 - i. Policies, Guidelines and products issued by the Company are in compliance with external regulations or legislation in force.
 - j. The Bank has reported its principal tasks to the Director in charge of Compliance.
 - k. Compliance is classified good, the provisions of Prudential Banking (CAR, NPL, LLL, GWM, and NOP) have generally been met and are in accordance with the provisions.



Integrated Governance

- l. The application internal audit function is adequate and meets the expectations of stakeholders (Commissioner), and is reflected in the report submitted by the SPI to the Board of Commissioner through the Audit Committee every quarter, namely the realization of the audit plan (RAT); recommendations and significant findings; and the completion of the audit results follow-up and disposition to the Board of Directors.
 - m. The quality and scope of the Public Accountant / KAP audit results was good.
 - n. The Application of Risk Management has been carried out effectively and no business is beyond the capabilities of the bank's capital to absorb risk.
 - o. There were exceedances and violations of LLL, as well as the precautionary principle with the precaution of consulting for large loans to related parties carried out effectively.
 - p. Non-financial and financial information is available in a timely and complete manner, in accordance with applicable regulations.
 - q. GCG implementation reports have reflected the actual condition of the bank and have been delivered in full and on time to the stakeholders according to applicable regulations.
 - r. The Corporate Plan and Business Plan has been prepared by the Board of Directors and approved by the Board of Commissioners.
 - s. The Bank's Corporate Plan and business plan along with realization has been the communicated by the Board of Directors to the controlling shareholders and to all organizational levels in the Bank.
 - t. The Business Plan describes the Bank's sustainable growth.
 - u. Bank Growth provides economic and non-economic benefits for stakeholders.
 - v. The Bank strategic plan is prepared using SWOT Analysis.
 - w. The Bank strategic plan is supported by adequate infrastructure setup.
 - x. The owners sets a policy for profits distribution by taking into account the ability of the Bank.
 - y. The owner is able to cope with the capital of the Bank.
 - z. The Bank's performance over time has improved significantly, despite the unstable macro economic conditions.
2. Negative factors regarding Bank governance aspects are:
In 2016 fines and reprimands were imposed by the regulator.